

KiwiBuild Strategic Risk Register

Risk theme	Risk owner	Risk description	Causes	Consequences / Impacts	How we're currently managing the risk (Key controls)	Risk rating	Further improvements we've committed to (Treatments)
Establishment	Head of Delivery-KB Priority H	Resourcing We do not have the resources (either capability or capacity) to establish the programme effectively	<ul style="list-style-type: none"> Lack of clarity in Work Programme Insufficient resources / access to resources Expectations of pace Lack of leadership around the programme Not our natural skillset – and not sure what we need Perceptions in local labour market about working for KiwiBuild Some vacancies emerging, some unfilled roles during a growth period for the unit 	<ul style="list-style-type: none"> Delayed, protracted or poor quality decisions Negative impacts on service levels and out-put / delivery failure Integrity of individuals could be compromised (e.g. fraud) Loss of Ministerial confidence, trust and credibility Negative Health, Safety and Well-being impacts Negative reputation as a workplace Loss of key staff Being reactive not proactive 	<ul style="list-style-type: none"> Implementation of Recruitment Plan / Strategy Regular meetings and dialogue with HR Business Partner Use of contractors to fill key gaps, along with specialist skills/teams from MHUD Clarify ability for the Programme to continue to access and employ contractors Explore options for internal and external (i.e. other agency) secondments Establishment of Kāinga Ora to enable leveraging of skillsets across a larger pool of staff 	H	<ul style="list-style-type: none"> Obtain and introduce greater clarity / specificity in Work Programme Review organisational structure and resourcing post Kāinga Ora to ensure it remains appropriate
	KB Programme Director Priority M	Health, Safety and Wellbeing We don't take all practicable steps to ensure the Health, Safety and Well-being (physical and mental) of staff	<ul style="list-style-type: none"> Poor or limited knowledge of H&S practices, protocols and behaviours Unrealistic workload / lack of support Capacity Lone working arrangements 	<ul style="list-style-type: none"> Increased absenteeism (e.g. sick leave) Low staff morale / Lack of engagement Objectives not being met 	<ul style="list-style-type: none"> Active monitoring and management of staff wellbeing Heightened awareness of issues and stressors Obtain and introduce greater clarity / specificity in Work Programme 	H	<ul style="list-style-type: none"> Complete recruitment for all roles across the Programme Provide a Leader-led tone that promotes strong H&S focus and culture Ensure H&S inductions for all new staff
	KB Programme Director Priority M	Integrity / Conflicts of Interest We don't have appropriate systems in place to manage and uphold the integrity of our staff	<ul style="list-style-type: none"> Lack of capacity/capability to divide the responsibilities within the application and assessment process Lack of perceived separation between stakeholders and decision-makers 	<ul style="list-style-type: none"> Integrity of process - Fraud Reputational issues Trust and confidence of delivery Legal ramifications (e.g. disputes, unfair process etc.) Perceived favouritism or unfair process outcomes 	<ul style="list-style-type: none"> Specialist / dedicated support from Legal and NZGPP Conflict of Interest register and training Risk & Finance function established Use of consultants to fill any specific and key gaps 	M	<ul style="list-style-type: none"> Function to provide oversight and advice on all KiwiBuild transactions
	KB Programme Director Priority M	Independencies / Co-ordination We don't have visibility or knowledge of other agency initiatives and priorities and internal change	<ul style="list-style-type: none"> Lack of resourcing to effectively manage internal dependencies Touchpoints, synergies and overlaps with other agency initiatives or projects are not identified or known Lack of visibility / single Enterprise view Organisational change happening across KB and with MHUD 	<ul style="list-style-type: none"> Resourcing conflicts arise which result in competition for limited resources Potential for duplicated effort and inefficient resources Loss of confidence and trust from Minister, Government and key stakeholders Negative reputational impacts 	<ul style="list-style-type: none"> Continual and ongoing engagement with and into HUD Internal and cross-agency governance and communication forums Weekly meeting with Minister and her representatives Regular dialogue with other key Ministries 	L	<ul style="list-style-type: none"> Establish relationship owners for key dependencies Improving collaboration post Kāinga Ora to explore synergies and increase efficiencies
	KB Programme Director Priority M	Programme Governance We don't have the necessary processes, systems and practices to facilitate the effective management of the Programme	<ul style="list-style-type: none"> Ineffectual communication or governance arrangements and structure Lack of leadership in the Programme 	<ul style="list-style-type: none"> Confusion and uncertainty across partner agencies Delayed or protracted decision-making Stakeholders (internal and external) withdraw their confidence and support for the Programme Loss of confidence, trust and credibility Failure to effectively establish the Programme 	<ul style="list-style-type: none"> Obtain and introduce greater clarity / specificity in Work Programme Develop regular dashboard reporting on Programme progress Acting Head of Delivery- KiwiBuild appointed 	L	<ul style="list-style-type: none"> Obtain and introduce greater clarity / specificity in Work Programme Develop regular dashboard reporting on Programme progress Review and utilise the expanded resources post Kāinga Ora to ensure it remains appropriate

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Stakeholders & Communications	GM Stakeholder Engagement and Comms Priority H	Stakeholder Expectations We don't manage Ministerial expectations and public perceptions of the programme	<ul style="list-style-type: none"> Expectations placed on the Minister (party, public, opposition) Changing political environment An overly optimistic sense of what we can deliver Lack of proactivity in dealings and interactions with Ministers and their offices Ineffectual or disjointed communication or engagement with Ministers 	<ul style="list-style-type: none"> Overpromise and under deliver Increased Ministerial scrutiny and activity Loss of confidence and trust from Minister, Government and key stakeholders Adverse reputational impacts for HUD (including other portfolios) Increased management time and consultation – includes rework Reduced ability to develop a way forward that meets Ministerial expectations 	<ul style="list-style-type: none"> Weekly meeting with Minister and representatives Regular reporting to key stakeholders Clear allocation of tasks, roles and responsibilities Communications Plan developed Introduce a forward planning agenda for regular meetings with Minister to ensure they are more strategic Identify key ministerial advisers and increase frequency of dialogue with them Introduce regular reporting on Programme deliverables, transactions pipeline and Programme announcements to provide an update on progress to Minister Ensure regular dialogue with Minister conveys practicalities and limitations of implementing proposals (e.g. resourcing and timeframes) 	H	<ul style="list-style-type: none"> Work closely with Treasury, SSC and DPMC to help manage expectations; With HUD and KiwiBuild Policy, develop and agreed Outcomes Framework for KiwiBuild dwellings Implement a communications strategy
	GM Stakeholder Engagement and Comms Priority H	Communications We don't own or control the narrative and the 'story' of KiwiBuild	<ul style="list-style-type: none"> Lack of solid underlying evidence and data Information vacuum Lack of decision-making Speed/pace of how things are moving Unable to influence Resourcing constraints Policy parameters not defined Expectation that announcements can precede decisions 	<ul style="list-style-type: none"> Resources fighting fires - too much time spent responding instead of managing the narrative Scope creep Increased Ministerial activity and/or intervention Private sector pull back Increased potential for misinformation/development of misconceptions Don't deliver or have raised expectations Credibility of Programme/Reputation at risk 	<ul style="list-style-type: none"> Cabinet Paper approvals gained which allows us to get more information out Website is now live with basic information Communications Plan developed FAQs updated regularly Provide reporting to show dependencies within the Work Programme 	H	<ul style="list-style-type: none"> Make FAQs available to other agencies periodically to help them provide consistent messages Provide more detailed information on the website Development and dissemination of proactive communications that ensure connectivity in communication, clarity and consistency and the establishment of a clear brand view / perspective
Delivery	Head of Delivery-KB Priority H	Quality of Investment Decisions We make poorly conceived investment decisions that do not achieve the expected results	<ul style="list-style-type: none"> Inaccurate information, forecasting and cost-benefit analysis Expectations of pace A lack of feasible development proposals are presented Time pressures – poor quality decision-making and perception of pre-deals Process becomes overly politicised Lack of an agreed commercial/investment strategy 	<ul style="list-style-type: none"> Delayed, protracted or poor quality decisions Loss of confidence and trust from Minister, Government and key stakeholders Negative reputational impacts 	<ul style="list-style-type: none"> Pipeline of possible transactions in place Active engagement with the development market via a 'market sounding' exercise Applying best practice procurement processes for ITP processes Specialist Risk and Finance function established to provide additional checks and balances 	H	<ul style="list-style-type: none"> Develop a commercial strategy to help guide decision-making Continued focus on working with developers and financiers to understand market
	Head of Delivery-KB Priority H	Procurement We fail to ensure that funding is perceived to be allocated and spent appropriately, transparently and fairly	<ul style="list-style-type: none"> Process is not perceived to be fair, equitable and impartial Time pressures – poor quality decision-making and perception of pre-deals Perception of favouritism – existing 	<ul style="list-style-type: none"> Potential for Judicial review Legal injunction placing programme on hold Poor quality deals Partner with the "worst of the bunch" 	<ul style="list-style-type: none"> AOG due diligence / procurement processes Specialist / dedicated support from MHUD Legal Quality Assurance 	H	<ul style="list-style-type: none"> Analysis and consideration of any Procurement due diligence completed on potential development partners by other Crown Agencies Ensure that procurement settings

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			<ul style="list-style-type: none"> relationships in sector Lack of due diligence Conflicts of Interest are not identified and/or managed Labour and investment sourced outside of NZ resulting in lack of clarity about who government is partnering with Process becomes overly politicised 	<ul style="list-style-type: none"> Negatively affects service levels and output / delivery failure Poor quality decision-making Integrity of individuals could be compromised (e.g. fraud) 	<ul style="list-style-type: none"> Conflict of Interest register and training Engagement with other Crown entities Establishment of a deal 'SWAT' team to test each proposed transaction (BOTP Moderation) Engagement with Suppliers Minister's Office briefing on how we need to manage engagement during the procurement process 		influence policy decisions and 'who the buyers are' <ul style="list-style-type: none"> Contracting procurement expert to advise on existing ITP/procurement processes Review procurement documentation for future rounds of procurement Investigate opportunities to use different procurement methodologies (panel agreement processes) to increase flexibility & timeliness while reducing risk
KB Programme Director Priority H	Information We don't have access to accurate and complete information		<ul style="list-style-type: none"> Lack of robust information to inform decision-making (includes decisions on policy) Weaknesses in the way we source, shape, enrich and manage information Lack of consistency in the way data is managed and used 	<ul style="list-style-type: none"> Key decisions based on inaccurate/incomplete information or untested assumptions Policy decisions that limit ability to deliver the Programme Poor quality and/or irreversible decisions Loss of confidence and trust from Minister, Government and stakeholders Negative reputational impacts 	<ul style="list-style-type: none"> Provide caveats around any data and what it can/can't be used for Use consistent numbers in any advice provided Creation of in-house data warehouse to record eligibility and contractual information 	H H	<ul style="list-style-type: none"> Develop a better model to understand the true level of demand for KiwiBuild Use the market sounding exercise and engagement with the sector to build a better information base Need to enhance and emphasize linkages and bonds with policy groups and teams through a schedule of required policy decisions, which include: When is a KiwiBuild house counted? How long does a KiwiBuild home need to be available to buyers? What is a second-chancer? Implement registers for KiwiBuild dwellings, eligible buyers, buyer EOI, which collected key data Introduce new tools for programme management and information collection Map operational interdependencies for the unit to identify IT system needs and data management Develop an information management & data and analytics strategy
Head of Delivery-KB Priority M	Realisation of Benefits We fail to deliver the expected outcomes and benefits. These include: affordable housing solutions, transformation of the building and construction sector etc.		<ul style="list-style-type: none"> Solutions do not meet the needs of the target market Low take-up rate of the solutions on offer / delivered Changes in the Housing Market Insufficient resources / access to resources Expectations of pace Inadequate supply of KiwiBuild homes Lack of demand from eligible parties 	<ul style="list-style-type: none"> Lack of affordable housing solutions delivered and at poor quality Stakeholders withdraw their support for the Programme Loss of confidence and trust from Minister, Government and key stakeholders Negative reputational impacts Adverse and sustained media coverage 	<ul style="list-style-type: none"> Active engagement with the development market via a 'market sounding' exercise Use mechanisms and levels of commitment that make a material difference to development economics (i.e. make it worth their while) Weekly meeting with Minister and representatives 	H H	<ul style="list-style-type: none"> Continued focus on increased engagement and partnering with developers and financiers to understand market Build increased agility and resilience into the Programme to be able to better adapt to change/s Need to increase engagement with the wider developer community to ensure that opportunities are not missed Ensuring that the procurement process we run is not overly prescriptive (thereby limiting interest from the market) Develop simple and standardised products and clear thresholds for developers who want to enter the scheme With KiwiBuild policy, develop and get Ministerial agreement to an Outcomes

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Delivery							Framework
	KB Programme Director Priority M	Financial management We do not effectively manage the financial or funding risks associated with the Programme	<ul style="list-style-type: none"> Weak financial control culture Inefficient recycle of KiwiBuild capex Funding pressures Inaccurate information, forecasting and cost-benefit analysis 	<ul style="list-style-type: none"> Inefficient use of resources Poor financial decision making and investment choices Failure to intervene or take timely action Loss of confidence and trust from Minister, Government and key stakeholders Negative reputational impacts 	<ul style="list-style-type: none"> Financial plans are in place Regular and planned budgeting and forecasting activities Monthly financial reporting that helps to identify funding needs – includes Pipeline reporting Support from Finance business partners and HUD Clear financial and operational delegations Specialist financial and non-financial risk staff and processes 	L	<ul style="list-style-type: none"> Provide Finance & Risk reporting to the KiwiBuild SLT Provide Finance & Risk reporting to the Board post Kāinga Ora establishment
	KB Programme Director Priority M	Dependency on Third Parties We don't effectively engage and partner with Iwi, City and Local Councils and the Private Sector	<ul style="list-style-type: none"> Availability of or insufficient partner resources assigned to allocated work Ineffectual monitoring and review of partner / service provider performance Poor reporting of performance Delays due to the availability of external partners 	<ul style="list-style-type: none"> Partners/ service providers do not deliver agreed deliverables Delivery quality is not to the standard required Delays to deliverables and timeframes Loss of confidence, trust and credibility (central and local agencies) 	<ul style="list-style-type: none"> Active engagement with the development market via 'market sounding' exercises 	H	<ul style="list-style-type: none"> Develop MOUs where we are working with external partners Regular dialogue with providers - e.g. weekly meetings Regular reporting and updates from providers to notify of issues, concerns, resourcing constraints and conflicts Provide an escalation process where issues arise
	Head of Delivery-KB / Manager LFH Priority H	Integrated Commercial Decision making We don't effectively develop an enterprise perspective / visibility over the various products and workstreams within the Programme and assess investment opportunities across workstreams	<ul style="list-style-type: none"> Synergies between products and processes are not identified or leveraged Lack of visibility / single Enterprise view (Siloed product-based focus) 	<ul style="list-style-type: none"> Potential for duplicated effort and inefficient resources Loss of confidence and trust from Minister, Government and key stakeholders 	<ul style="list-style-type: none"> Current collaboration in place for Land for Housing deals with KiwiBuild element. Work continuing to improve process for KiwiBuild within Land for Housing to avoid duplication 	H	<ul style="list-style-type: none"> Leverage synergies between products and processes Establishment of an integrated Sales Pipeline / Funnel Meeting Decisions to be made about correct or ideal product delivery pathways Develop a commercial strategy to help guide decision making Further synergies and process improvements to be developed post Kāinga Ora Future establishment of a Common Investment Panel Determine whether we have developed the right geographic typologies to support effective channel distribution
	KB Programme Director Priority L	Sector / Workforce Capability We don't have access to the skills, capacity and scalability required in the Building and Construction Sector to deliver the outcomes required	<ul style="list-style-type: none"> Skilled labour shortage in the building and construction sector A lack of training opportunities for new workers (i.e. apprenticeships) Sector does not have the capacity to build at the required pace and scale A lack of available suppliers 	<ul style="list-style-type: none"> Delivery failure Loss of confidence and trust from Minister, Government and key stakeholders Negative reputational impacts Adverse and sustained media coverage 	<ul style="list-style-type: none"> Skills Strategy and Action Plan under development Considering need for KiwiBuild Visa scheme for offshore workers KiwiBuild pipeline - this will show where development will occur and when - so workforce planning can match demand 	H	<ul style="list-style-type: none"> Increased focus on building apprenticeships

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	KB Programme Director Priority L	Building System Capability We don't have a Building Regulatory System that supports innovation, pace and scale	<ul style="list-style-type: none"> Inefficient planning and consenting processes Regulatory system does not facilitate innovation to help speed up the pace of building development A lack of large-scale industry disruptors in NZ 	<ul style="list-style-type: none"> We fail to deliver the transformative change required Alternative processes and products which can deliver KiwiBuild outcomes are not able to be applied Delays to delivering KiwiBuild outcomes which reduces our ability to recycle the capex efficiently 	<ul style="list-style-type: none"> Prioritising initiatives in the Building Regulatory System work programme that are most likely to support KiwiBuild outcomes Actively working with local government to undertake some demonstration projects to test alternative processes/products Regular engagement with the Building Advisory Panel to help inform work programme 	H 	<ul style="list-style-type: none"> Increased focus on building apprenticeships

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